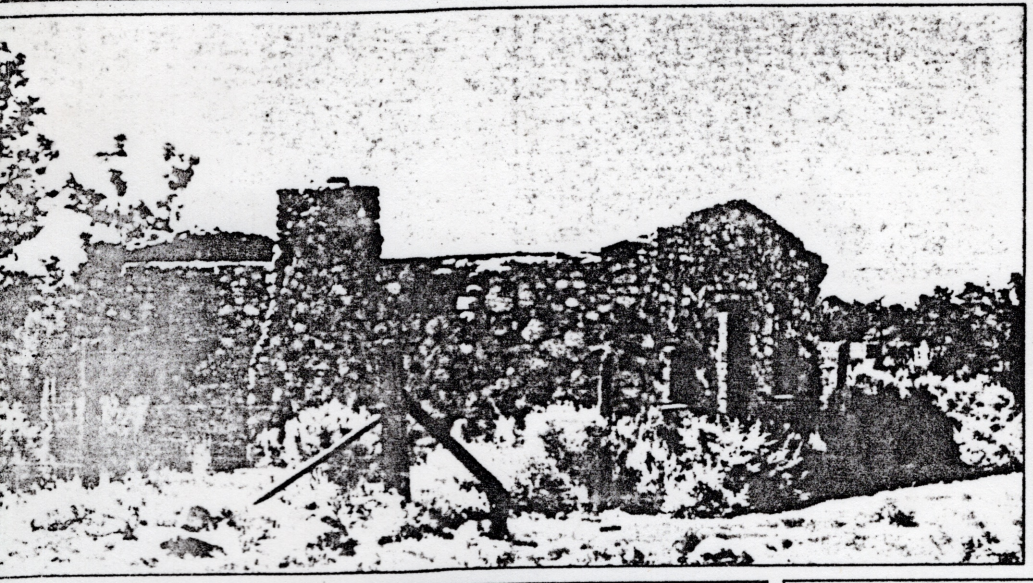
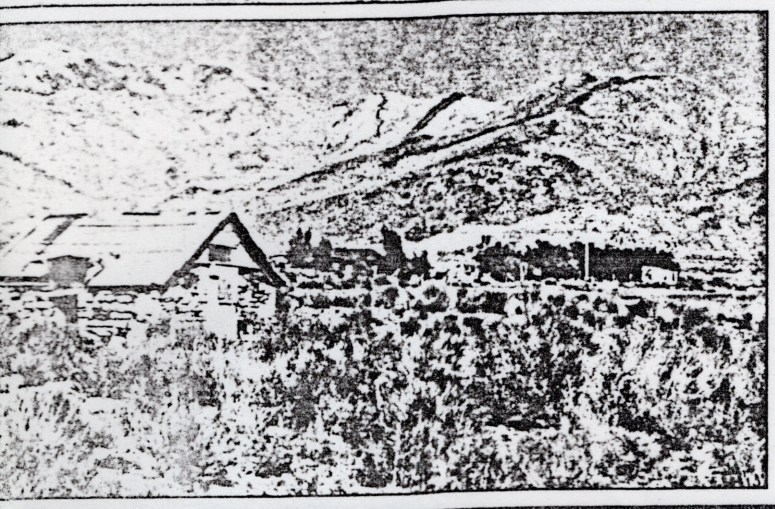
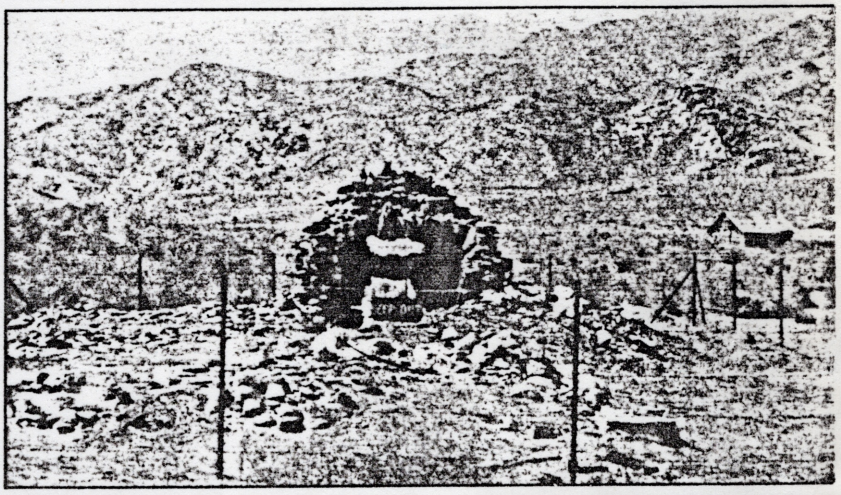
Owens Lake Treasure Ship . . .



Counterclockwise: Remains of an old rock building in Cartago. The Inyo Mountains form a backdrop for the old town of Swansea. Remains of the Swansea smelter. The Carson and Colorado Railroad Depot at Keeler. The now-ghostly town of Keeler.





REFERENCE ONLY

Fact or Fallacy?

by Gary Speck

steamship in the California desert? It's true! Not only one, but two! For 10 years, beginning in 1872, two small steam-powered ships cruised the shallow waters of Inyo County's Owens Lake.

Located some 200 miles north of Los Angeles on the east flank of the towering, snow-clad Sierra Nevada Mountains, the lake today is nothing more than a glaring white playa of fine, gritty, alkaline dust. Remnants of this lake remain as mute testimony to the 100-square-mile, 30-foot-deep blue waters that once filled the basin.

The Owens River, once the life-giving source of the lake's water, has since been diverted to help quench the thirst of millions of people in the Los Angeles area. As a result, the lake has withered and died, leaving only dust and one of California's persistent treasure legends, The Lost Bullion Ship of Owens Lake.

Old legends die hard, and this one is no exception. Several versions of the story exist, each claiming that one or the other of the two ships was involved. The variations differ slightly, but the main thrust of the legend remains intact.

#1 A strong northwest wind pushed the *Bessie Brady* toward the southeastern shore where she was battered by high waves and a strong wind. Somewhere along her journey, a wagon loaded with silver bullion broke loose and rolled off the pitching deck, taking its precious cargo to the bottom of the storm-tossed lake.

#2 The *Mollie Stevens* was cruising toward port at Cartago when she capsized in the middle of the lake for no apparent reason.

#3 The *Mollie Stevens* was en route to Cartago when she was hit by a severe windstorm. She began to take on water, and when the cold lake water reached the boilers, a thundering explosion ripped her apart. Both the ship and her load of silver bullion disappeared under the waves.

#4 The ship, not mentioned by name, was driven by a strong wind toward the southeastern part of the lake, where she lost part of her load. The resulting shift in the balance caused the small steamer to overturn and sink in the shallow waters of Owens Lake.

How these various legends got their start is unknown, but they make interesting reading. Digging into the story a little deeper, a person can come up with a fifth version. A totally different variation of the Owens Lake treasure ship legend thus emerges from the recesses of history.

This version begins with a long step back in time, to the year 1865. Near the summit of the lofty Inyo Mountains, high above Owens Lake, a discovery of rich silver lead ore was made at a place soon to be known as Cerro Gordo, 'Fat Hill' in Spanish. It was a small, unobtrusive mining camp until news leaked out about the richness of the ore. Once this word reached the outside world, a man named Mortimer Belshaw found his way to the now-booming camp. He invested heavily in the rich lead-producing Union Mine.

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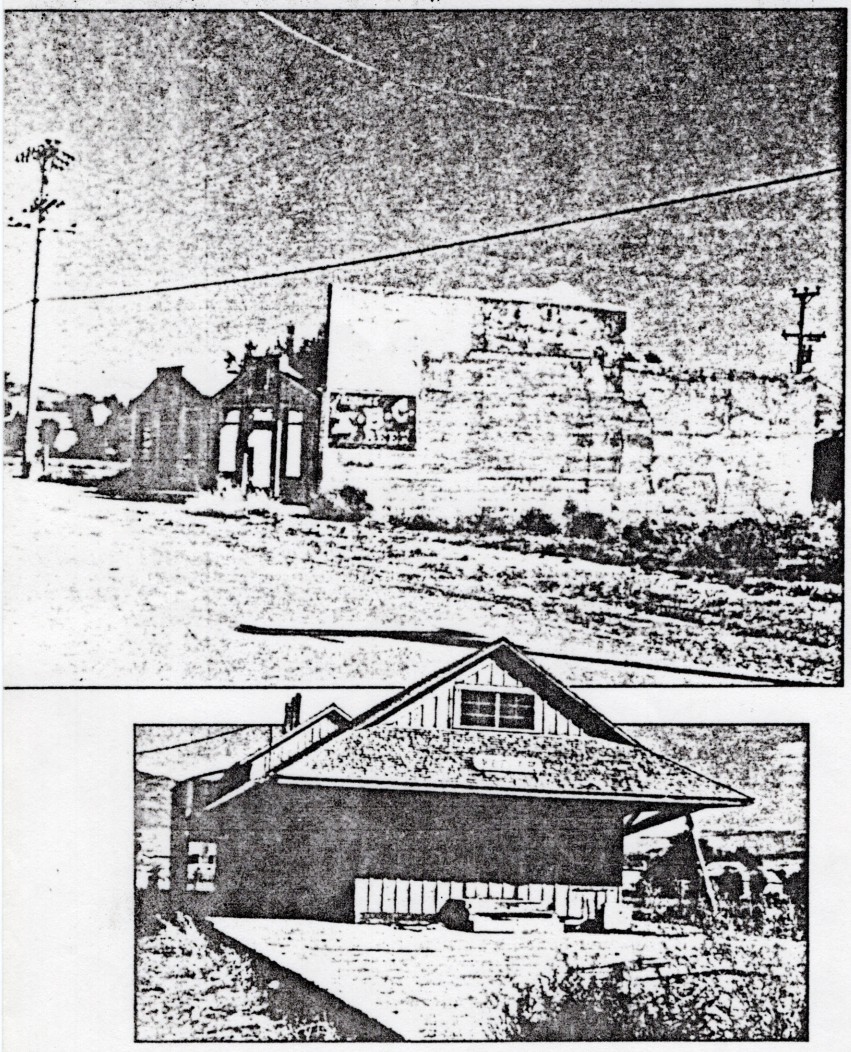

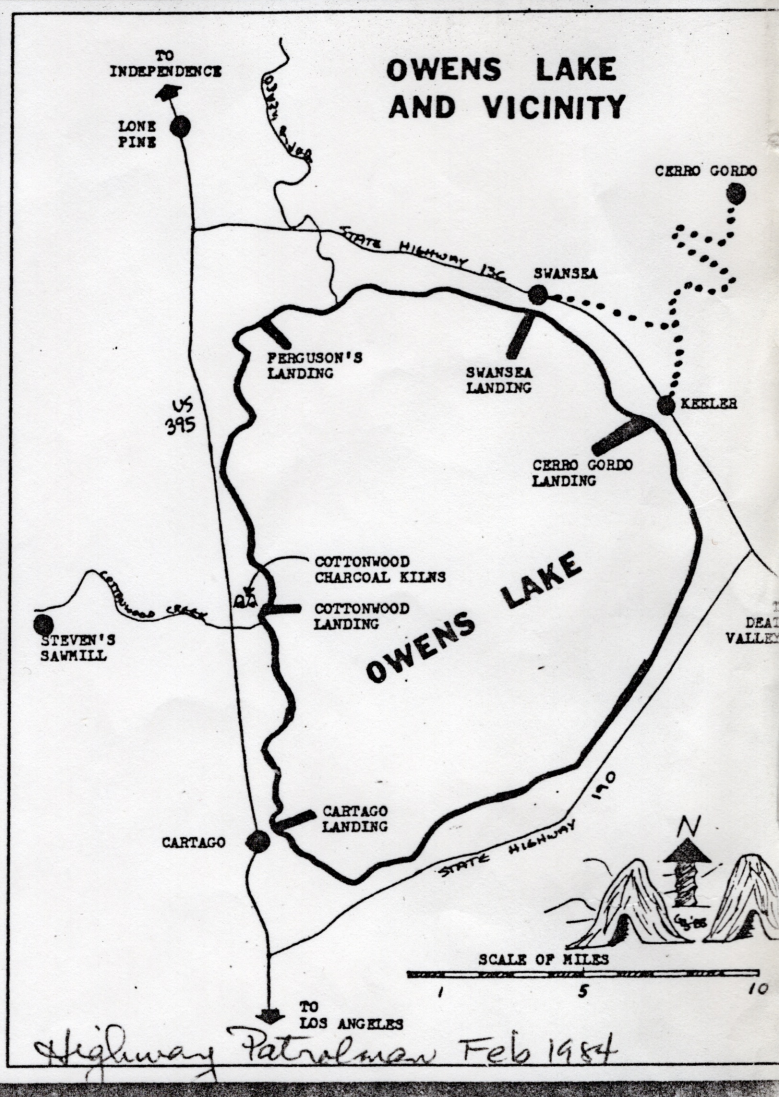

TREASURE SHIP

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The lead was necessary for proper smelting of the silver, so he figured that to control the leading lead mine meant control of the silver also.

By 1868, Belshaw had acquired a major interest in the Union Mine, and he and the other large investor, Victor Beaudry, formed the Union Mining Company. The two partners then agreed that a good road to the rapidly growing town was a necessity. A road was carved into the steep, tortuous face of the mountain, and at the narrowest spot on it a tollhouse was built.

The next step in controlling Cerro Gordo was the building of a smelter near the Union Mine. Previous to this, the only other major furnace on the hill was run by Beaudry. Now both belonged to the Union Company. The two smelters made processing of the ore much easier for the miners, but the owners controlled all the output, putting it under the thumbs of Beaudry and Belshaw.

Not all the mine owners were happy about this monopolistic stranglehold on smelting and transportation of their ore. So the owners of the Santa Maria Mine decided to challenge the Union Company by building their own smelting works, far below, along the northeastern shore of Owens Lake.

The Owens Lake Silver-Lead Company formed, and they named their smelter and the town that grew up around it Swansea. Swansea, Wales, was a famous smelting center in Europe and one of the largest in the world at that time. Swansea was a proud name and hopefully a prosperous omen for the up-and-coming new community.

The fires in the smelter's twin furnaces were stoked, and ore wagons began to arrive from the Santa Maria Mine. The Owens Lake Company thus began its growing competition with the Union Company's monopoly on Cerro Gordo. This competition soon became very fierce, and often fraught with danger for both parties.

By 1871, the growing town and its mines were in full production, and the mountaintop community was beginning to make its mark on the outside world. To connect it to the outside, a stage line was inaugurated to Owens Valley. This twice-daily stage remained in business until late 1878, with part of its route winding

down the harrowing Yellow Grade.

The Yellow Grade, a name that instilled fear in Western teamsters, was the only road in and out of the isolated community. It was controlled by the single tollhouse owned by the Union Company. This was the only 'fly in the ointment' as far as the Owens Lake Company was concerned.

The steep road caused many freight companies to turn down contracts for the Cerro Gordo route. It took the French Canadian teamster, Remi Nadeau, to conquer this feared road. As a result, he received the contract to haul the bullion out of Cerro Gordo and return with the staples of life. His contract lasted for three years and expired in December 1871.

The month after Nadeau's contract expired, Belshaw decided to sign with the Owens Lake Company, rather than re-sign with Nadeau. James Brady, superintendent of the Swansea-based outfit, was able to offer Belshaw and the Union Company a much lower rate than Nadeau could. This would also assist him in hauling to his own smelters.

Brady then joined forces with Daniel H. Ferguson, and the two of the them designed and built a small steamship to haul the silver from the smelters across the lake to a new wagon terminal. Crossing the lake would save from three to five days in travel time, and the silver could be on its way to Los Angeles that much quicker.

On March 26, 1872, the 85-foot steamer was nearing completion, and a dock located at Swansea was almost finished. Early that morning the earth began to rumble, and in a few minutes the whole region was rocked by one of the strongest earthquakes ever to strike the Golden State. The Inyo County area was in the epicenter and was severely shaken. Owens Lake actually was tipped slightly, with the eastern shore rising several feet and the western shore sinking several feet. The new dock at Swansea was left high and dry!

Within two months, workers had extended the wharf back out into the water. The new steamship was then floated down the Owens River and pulled to the longer dock at Swansea, where it was completed.

June 27, 1872, marked the maiden voyage of the yet-unnamed steamer. To inaugurate her service, on July 4 there was a special christening party

for the ship. The dock at Ferguson's Landing on the northwest corner of the lake was the site for the festivities. The young daughter of James Brady stood on the wharf with a bottle of champagne in her hand. With the crowd milling around her, she lifted the bottle and swung at the bow of the ship. With the words, "I christen you the *Bessie Brady*," she began steamship service on Owens Lake.

Throughout the summer, the *Bessie Brady* plied the cool waters of the lake, hauling precious cargo of silver bullion from the dock at Swansea to the dock at Cartago. The service was so efficient, however, that the 85-pound bars of silver began to stack up on the dock faster than the wagon teams could haul them across the desert to Los Angeles.

In October the weather began to turn cold, and many of the local miners and transients viewed the stacks of silver bars in a different light. They threw canvas tarps over the piles, and thus had makeshift shelters from the elements. They truly lived amid silver splendor. Most remained until they either moved elsewhere or their silver homes were loaded onto the freight wagons and hauled away.

Beaudry and Belshaw were concerned about the growing piles of silver. They cancelled Brady's contract and leased it to a Bakersfield teamster named Julius Chester. They hoped the new service would move the silver faster, thus freeing more assets.

After his contract was cancelled, Brady sold his interest in the Owens Lake Company and vanished from the region. His former partner, Ferguson, formed a new freight company along with help from John Daneri. The Owens Lake Steam Navigation Company was formed and was responsible for transporting the ore across the lake using the steamer. The Owens Lake Company continued to operate the smelter and mine at Cerro Gordo.

To help give Chester time to haul the silver away, both the Union and the Owens Lake companies slowed the pace of the smelters down. Even so, the bullion still accumulated faster than Chester could haul it away. By the spring of 1873, there were over 30,000 bars sitting on the dock, piled like tons of cordwood.

During the winter, the Owens Lake Steam Navigation Company ran

out of money since all their assets were tied up in the stacked silver. They moored the *Bessie Brady* until the silver could be moved, and thus converted to cash so they could operate the steamer. The silver didn't move fast enough, however, and the company filed for bankruptcy.

Desperation gripped Beaudry and Belshaw. They feared the same fate as their competitor, especially since over a million dollars of the silver was theirs. In June 1873, they cancelled Chester's contract and again hired Remi Nadeau. With the Union Company's help, he built a string of freight stations across the desert between Cartago and Los Angeles. The wagons began to roll, and it wasn't long before the stacks of silver disappeared.

The Union Company purchased the *Bessie Brady* from the financially troubled Owens Lake Company in early 1873, and moved the ship to a new wharf. This new dock was located at Cerro Gordo Landing, six miles southeast of Swansea. It became the terminus for the Yellow Grade road now that traffic was diverted from the Swansea-based company. Then, as if adding insult to injury, the financiers of the Owens Lake Company foreclosed on its assets, thereby forcing them out of business.

During the summer, a tremendous flash flood roared down from the Inyo Mountains and tore into the now-abandoned site of Swansea. The town was heavily damaged and the smelters were literally destroyed. The requiem for Swansea was sounded, and another ghost arose from the earth to join the pages of history.

Firewood for the smelters on the hill was now becoming scarce. West of the lake, up in what is now called Cottonwood Canyon on the east flank of the Sierras, Col. Sherman Stevens was in the process of erecting a sawmill. This mill would supply the mines with much-needed wood, and also help feed the insatiable appetite for fuel for the smelters. After he completed the mill, he built a flume down the canyon to the lake. At the end of the flume he built another dock out into the blue lake waters. Here, at what became known as Cottonwood Landing, the *Bessie Brady* began to make regular stops for the much-needed wood.

In early 1877, Col. Stevens built two charcoal kilns out of adobe and located them close to his landing. Here, he reduced wood to charcoal,

which gave him a more valuable commodity.

Stevens continued to pay the Union Company for use of the *Bessie Brady*, for awhile anyway. Finally, the exorbitant rates forced him to build his own steamship. He was going to try and beat Beaudry and Belshaw at their own game.

How the hull arrived in the area is not certain, but the engine was from the *USS Pensacola*. It was rebuilt in New York before being delivered to Stevens. Shortly after the engine was installed, and before the deck was built, the new ship was subject to some rough weather. The unprotected hull took on too much water and sank at its mooring at Cottonwood Landing. The *Bessie Brady* was summoned to hoist it, and it was refloated.

In June 1877, the new steamer was completed and christened. It too, like the *Bessie Brady*, was named after the young daughter of the builder. Mollie Stevens became the second girl in Inyo County to have a ship named after her.

For three months the *Mollie Stevens* carried charcoal and wood from Cottonwood to Cerro Gordo landings. Then, in September, a vicious fire swept thrugh the sawmill complex, destroying part of the flume and over 64,000 board feet of lumber. This incident, coupled with a drop in silver prices, managed to destroy the demand for the wood and charcoal.

By the beginning of 1878, the *Mollie Stevens* had stopped running and was docked at Cottonwood Landing. The mines at Cerro Gordo were also feeling the pinch caused by the price reduction of silver, so production was slowed tremendously. The *Bessie Brady* began to make fewer and fewer trips across the lake.

In October, Cerro Gordo's boom was over. The last wagonload of silver bullion descended the Yellow Grade and was loaded aboard the *Bessie Brady*. After unloading at Cartago, she steamed up the shoreline to her final docking at Ferguson's Landing, where she was beached and stripped.

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In 1880, low-grade silver deposits were being worked at the mines, so the *Mollie Stevens* and the rest of Col. Stevens' property was purchased by the new company and put into operation. The little steamer again hauled wood from the mills to Cerro Gordo Landing. The old landing was growing into a small town and was renamed after the foreman in charge of the operations, Julius Keeler.

Keeler felt the *Mollie Stevens* was too small and inefficient, so he had the hulk of the *Bessie Brady* towed to the dock at Keeler. There it was outfitted with the powerful engine that was pulled from the *Mollie Stevens*.

On May 11, 1882, the event which could have started the lost treasure legend occurred. While sitting at the dock at Keeler, a spark somehow ignited flammable material on board the cargoless ship. A ball of flame enveloped the docked *Bessie Brady*, and within minutes nothing was left except black smoke and memories. Thus, the steamship era on Owens Lake came to an explosive finale, as neither ship was rebuilt.

So, whether the initial, pre-maiden voyage sinking of the *Mollie Stevens* or the fiery ending of the rebuilt but empty *Bessie Brady* was the fuel to fire the legend of the lost bullion ship will never be known. How the legend got its start is not important, but the fact seems clear that there is no lost bullion ship . . . OR IS THERE?

Where did the 300-pound propeller, reportedly found in the middle of the dry lake bed, come from?

How about the 400-pound, hand-forged iron anchor allegedly found in the early fifties by a Keeler boy? Both of these mysteries beckon us. Where *did* they come from?

Owens Lake has been dry for many years now. A little over a hundred years ago, two small steamships hauled wood and chased after silver across the shallow waters of the lake. Today, they are nothing but memories, pursuing dreams and ghosts. Two ghost ships sailing on a ghost lake? May they rest in peace! STOP

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